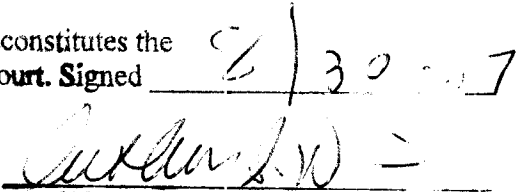


AUG 29 2007

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ATTORNEYS FOR DEBTOR  
AND DEBTOR-IN-POSSESSION

The following constitutes the  
Order of the Court. Signed

  
HON. ARTHUR S. WEISSBRODT  
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re: ) Case No. 01-55137-wsj  
SILICON VALLEY TELECOM )  
EXCHANGE, LLC, )  
Debtor. )

**ORDER GRANTING DEBTOR'S APPLICATION TO AMEND ORDER SETTING  
COMPENSATION FOR INSIDERS**

Debtor and Debtor-in-Possession, SILICON VALLEY TELECOM EXCHANGE, LLC  
(hereinafter "Debtor") filed three (3) applications to amend this Court's order setting compensation  
for Debtor's principals that was entered on or about May 20, 2003 ("Compensation Order"). The  
applications were heard on September 14, 2004, October 7, 2004, and February 6, 2006, and sought  
to increase the compensation for Debtor's principals to pay income tax on income retained by  
Debtor but was attributed to Debtor's principals. The applications were granted subject to the  
United States Trustee approving the allocation of income tax to Debtor's retained income.  
However, only one order (Docket No. 802) was ever entered which related to the February 6, 2006,  
hearing, and it erroneously stated the amount Debtor was authorized to pay Debtor's principals. In  
addition, Debtor filed amended tax returns for 2001 through 2004 which had an impact on the

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ORDER

1 allocation of income tax to Debtor.

2 Debtor now seeks to an order amending the May 20, 2003, compensation order to set forth  
3 the amount Debtor may pay Debtor's principals for income tax attributed to them for tax years 2001  
4 through 2005 on income retained by Debtor based on Debtor's amended tax returns. Further, the  
5 United States Trustee has reviewed the income tax allocation prepared by Debtor's accountants and  
6 approves the amount requested by Debtor.

7 IT IS HEREBY ORDERED that:

- 8 1. Debtor's application to amend this Court's May 20, 2003, Compensation Order is  
9 GRANTED. The Compensation Order is amended to permit payment of  
10 compensation to Debtor's insiders, Fred and Karen Rubio, for payment of their  
11 personal 2001 through 2005 federal and state income tax that they are liable for based  
12 on income attributed to them by Debtor by reason of Debtor being California Limited  
13 Liability Corporation. The compensation order is amended to permit Debtor to pay  
14 Debtor's principals the amount of \$100,419.00, in addition to amounts authorized by  
15 the Compensation Order.
- 16 2. To the extent that Debtor has paid Debtor's principals more than \$100,419.00, for  
17 income tax on income retained by Debtor for tax years 2001 though 2005, Debtor's  
18 principals shall reimburse Debtor the amount in excess of \$100,419.00 within twenty  
19 (20) days of the date of this order.
- 20 3. This order supercedes prior orders amending the May 20, 2003, compensation order,  
21 including the March 29, 2006, order (Docket No. 802).

22  
23 \* \* \* END OF ORDER \* \* \*

24 APPROVED AS TO FORM AND CONTENT:

25 **UNITED STATES TRUSTEE**

26  
27 By: /s/ Nanette Dumas  
28 Nanette Dumas, Esq.  
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